

Message Text

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PAGE 01 STATE 064946
ORIGIN EA-12

INFO OCT-01 EUR-12 ISO-00 PM-05 PA-02 /032 R

DRAFTED BY EA/P:STAFF:VDC
APPROVED BY EA/P:JCANNON
DESIRED DISTRIBUTION
USIA/IEA:MSMITH

-----104523 142154Z /41

R 141726Z MAR 78
FM SECSTATE WASHDC
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ATTN PARIS FOR MARK PRATT

E.O. 11652: N/A

TAGS: SOPN, XC, US,

SUBJECT: MARCH 14 EA PRESS SUMMARY

1. JAPAN

PRINCE HITACHI WILL LEAVE TOKYO 3/29 FOR 2-WK, INFORMAL US
TOUR. PRINCE TO ATTEND CANCER RESEARCH ASSN'S ANNUAL MTG
IN WASHINGTON 4/5-8 (REUTER TOKYO).

SPOKESMAN FOR VISITING JAPANESE TRADE MISSION SAYS GROUP
HAS ORDERED SOME 1.9 BIL DOLS GOODS FROM US PRODUCERS IN
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LAST 10 DAYS. MITSUI PRES IKEDA HAS URGED US BUSINESS
TAKE ADVANTAGE OF WORLD IMPORT MART OPENING TOKYO NEXT
OCT AS FORUM FOR EXHIBITING GOODS. ALSO OFFERED US BUSINESSE
USE OF JAPAN'S FLOATING EXPORT SHOWROOM IN '79 TO DISPLAY
GOODS IN JAPAN (REUTER'S NEWMAN 3/13).

JOC'S TELFER REPORTS MISSION FOUND "SLIM PICKINGS" AT WORLD

TRADE CENTER MONDAY. ACCORDING ONE US EXHIBITOR, JAPANESE PLACED NO ORDERS/COMPLAINED DISPLAYS INADEQUATE.

EC DIRECTOR-GENRL DENMAN ARRIVED TOKYO TUES FOR TALKS ON REDUCING JAPAN'S TRADE SURPLUS. EC SEEKS DEFINITE MEASURES BY JAPAN BEFORE EUR SUMMIT 4/7-8. JAPANESE SOURCES SAY

4-PT EMERGENCY PKG ANNOUNCED IN TOKYO LAST WK WILL PROBABLY BE CENTRAL TOPIC IN TALKS (REUTER TOKYO).

LAT'S JAMESON (TOKYO 3/12) REPORTS FUKUDA'S CABINET--ALARMED BY NEW SPURT IN YEN VALUE--MET 3/11/ANNOUNCED GOJ WILL HELP PROMOTE IMPORT JETLINERS TO CUT JAPAN'S TRADE SURPLUS. JAPANESE TRANSPORT MIN PLANNED MEET PRESIDENTS JAPAN'S 3 MAJOR AIRLINES THIS WK TO LEARN THEIR PURCHASING PLANS.

JOC'S CULLISON (IN TOKYO) DOES ITEM ON JAPANESE SHIPPING INDUSTRY. NOTES SHIPBUILDERS FACE CRISIS CAUSED BY GREAT OVERCAPACITY/STEADILY FALLING ORDERS. NEWEST DIFFICULTY IS 3RD WORLD SHIPYARDS, WHICH TAKING AWAY INCREASING NUMBERS INTL ORDERS. QUOTES JAPANESE SHIPPING EXEC, "THEY ARE DOING TO US EXACTLY WHAT WE DID TO BUILDERS IN BRITAIN"/IN EUR OVER PAST 22 YRS.

2. KOREA
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DOD UNDER SEC DUNCAN TOLD 3/14 SEOUL NEWS CONF ADMIN EXPECTED CONGRESS WOULD NOT LINK KOREA BRIBERY SCANDAL TO ARMS TRANSFER. SAID 1ST GROUP 6,000 US TROOPS WOULD LEAVE SK THIS YR AS PLANNED. EXPRESSED CONFIDENCE US/SK "CAN DEAL WITH ANY NORTH KOREAN AGGRESSION." TERMED RECENT US/SK MIL EXERCISE "CLEAR DEMONSTRATION" US ABILITY "RAPIDLY AUGMENT" SKOREAN FORCES (REUTER SEOUL).

SEN ETHICS CMTE MEMBER WEICKER (R-CONN) CHARGED 3/13 NIXON ADMIN HAD FULL KNOWLEDGE KOREAN INFLUENCE-BUYING EFFORTS BUT TOOK NO ACTION HALT THEM. SEN CLAIMED POSSESSION 50 DOCS SUPPORTING CHARGE, STATING EVIDENCE KOREAN SCHEME KNOWN TO NSC/WH/FBI/DOS/DOJ/CIA. STATED DOCS INCLUDE WRITTEN COMMUNICATIONS BETWN FBI/2 FORMER NIXON CABINET OFFICERS. CLAIMED MAJOR LAW ENFORCEMENT ORGS "KNEW EVERY STEP OF THE WAY WHAT WAS GOING ON AND NEVER SAID NO" (GERSTEL, UPI; ADAMS, WP; SCALLY, REUTER; TAYLOR, WSTAR, ALL 3/13; VOLZ, NYDN).

FORMER ATTY GENRL MITCHELL GRANTED 2-WK EXTENSION PRISON FURLOUGH SO HE MAY TESTIFY BEFORE CONGRESS ON INFLUENCE-

BUYING SCANDAL. DOJ LAWYERS ALSO PLAN INTERVIEW
MITCHELL (UPI, WP).

SEC HAS ACCUSED E-SYSTEMS OF SECURITIES LAW VIOLATIONS IN
CONNECTION W/1.4-MIL-DOL PAYMENT FIRM SAID IT MADE TO
KOREAN REPS. CHARGE INVOLVES SK EMB OFFICIAL WHO RECEIVED
OVER 1 MIL DOLS IN "QUESTIONABLE" COMMISSION FEES LINKED
W/E-SYSTEMS SALE ELECTRONIC EQUIPMENT TO ROKG. THREE

E-SYSTEMS EMPLOYEES INDICATED (MILLIER, NYT; WSJ).

3. PHILIPPINES

KIDNAPPED FRENCH OFFICIAL PIERRE HUGUET, HELD HOSTAGE
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FOR 2 WKS BY FILIPINO MOSLEM REBELS, WAS REUNITED W/WIFE
IN MANILA MONDAY (REUTER MANILA).

4. CHINA

NCNA ANNOUNCED TUES THAT MORE THAN 10,000 IN SHANGHAI HAVE
BEEN REHABILITATED, AFTER BEING VICTIMS "GANG OF 4,"
AS PART OF PARTY POLICY TO "EXPOSE AND CRITICIZE THE
GANG'S WRONGDOINGS." AGENCY DESCRIBED REHABILITATION
AS CANCELLING WRONG VERDICTS/STOPPING UNJUST PUNISHMENTS/
ADJUSTING IMPROPER WORK ASSIGNMENTS (REUTER PEKING).

5. INDOCHINA REFUGEES/NZ

PM MULDOON ANNOUNCED AT NEWS CONF MON THAT NZ HAS TOLD
UNHCR IT WILL TAKE NO MORE SEASIAN REFUGEES, WILL ONLY
PROCESS 400 NOW UNDER CONSIDERATION (AP WELLINGTON, WSTAR
3/13).

6. AUSTRALIA

BATTERING BEING TAKEN BY US DOL ON INTL CURRENCY MKTS
HAS LED TO RENEWED PRESSURE ON GOA TO DEVALUE AUSSIE
CURRENCY, ACCORDING JOC'S STOVE (SYDNEY). SAYS MOST
VOCAL AGITATION FOR DEVALUATION COMING FROM MINING/RURAL
SECTORS WHERE EXPORT VALUES DROPPING.

STOVE SAYS STABLE RELATIONSHIP BETWN 2 CURRENCIES VITAL IN
MAINTAINING REAL VALUE OF EXPORT INCOME. GOA TREASURER,
HOWEVER, SAID WHILE CURRENT SITUATION PERSISTS, GOA WILL
PURSUE EXPANDED FON BORROWING PROG--WHICH, ACCORDING
STOVE, WILL SUPPORT AUSSIE DOL, BUT NOT HELP EXPORTERS
LOSING INCOME ON US DOL TRANSACTIONS.
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COMMENT AND ANALYSIS

7. PHILIPPINES

ACCORDING WP'S MATHEWS (HK), GOP IS EXPANDING INVOLVEMENT IN MIDDLE S CHINA SEA WHERE 3 OTHER ASIAN COUNTRIES CLAIM POTENTIALLY OIL-RICH ISLANDS. REPORTS PHILS RECENTLY RAISED FLAG OVER 7 LARGELY BARREN ISLS IN NE PART SPRATLY GROUP, ONE RECENTLY AS FEW WKS AGO. SAYS

OFFICIALS HAVE SOUGHT DENY LAST TAKEOVER SO RECENT, IN ORDER NOT MAR MANILA VISIT THIS WK OF CHINESE VICE PREMIER--WHOSE COUNTRY CLAIMS ENTIRE ISLAND GROUP.

MATHEWS NOTES PHILS HAS THOUSAND MARINES STATIONED ON SPRATLY ISLS, IS INTENDING AIRSTRIP ON PAGASA, THAT MANILA STOCK MKT HAS GONE UP/DOWN W/REPORTS/DENIALS OF NEW OIL FINDS. THO LEGAL DISPUTES W/PRC/SRV/ROC MAY DELAY DRILLING FOR SOME TIME, MATHEWS OBSERVES PHILS ACTION PROVIDES MARCOS OPPORTUNITY DEMONSTRATE HIS COMMITMENT TO PHILS NATIONALISM AT TIME WHEN POL OPPONENTS ACCUSE HIM SELLING OUT LOCAL INTERESTS BY ALLOWING US BASES ON PHILS SOIL.

8. CHINA

MATHEWS (LAT HK 3/13), IN ARTICLE ENTITLED "CHINA SHOWING MORE CONCERN FOR HUMAN RIGHTS," OBSERVES THAT MAO'S SUCCESSORS, IN ABRUPT TURN ABOUT, HAVE REVISED HIS THEORY OF CLASS ORIGIN--THAT ULTIMATE CRITERION FOR JUDGING YOUNG IS NOT FAMILY ORIGIN BUT YOUTH'S OWN POL BEHAVIOR. THIS SEEN AS PART RISING CONCERN INSIDE PRC FOR HUMAN RTS. NOTES AT NPC, CHINA ALSO REVERSED COURSE OF PAST DECADE BY RESTORING NEW SOME FREEDOMS--AMONG THESE, LESSENING RESTRICTIONS ON LITERATURE, ARTS/RIGHT OF

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ORDINARY CITIZENS TO CRITICIZE GOVT LEADERS/BAN ON COERCED CONFESSIONS.

9. LAOS

NYT'S KOVLER HITS DOS/ADMIN FOR REFUSING RESPOND TO LPDR'S APPEAL FOR FOOD AID; SAYS INSTEAD OF GIVING

NECESSARY RICE, USG HAS DECIDED "PLAY POLITICS WITH STARVING LAOTIANS' LIVES." OPINES THAT PRES CARTER FEARS SEEMING TOO LIBERAL AT TIME WHEN TRYING GET PANAMA CANAL TREATIES RATIFIED. CONTENTS "NO DECISION" IN THIS CASE IS TANTAMOUNT TO DIRECT REFUSAL.

KOVLER CITES DROUGHT WHICH CAUSED 40 PCT RICE DEFICIT/ COLLAPSE IRRIGATION NETWORKS/PADDY FIELDS POCK-MARKED W/BOMB CRATERS/KILLING OF BUFFALO/UNEXPLODED BOMBS BURIED IN GROUND AS REASONS FOR FOOD SHORTAGES. SAYS EA'S HOLBROOKE IN FAVOR GRANTING AID IMMEDIATELY, BUT ADMIN AFRAID IT WILL APPEAR PRO-COMMUNIST.

KOVLER CALLS FOR IMMEDIATE MOVE TO HELP LAOTIANS, SAYING DELAY WILL "COMPOUND THE BARBARITY" THAT US ALREADY BROUGHT INDOCHINA. SAYS LAOS MUST NOT BECOME ANOTHER SUB-SAHARAN AFRICA WHERE PEOPLE DIED "BECAUSE GOVERNMENTS

HAD MORE 'PRESSING MATTERS.'"

10. VIETNAM

NYT'S WEINRAUB DOES PIECE ON RBT KOMER--"ONE OF THE MOST CONTROVERSIAL FIGURES OF THE WAR"--WHO HAS QUIETLY RETURNED TO GOVT AS DEFENSE SECY'S ADVISER FOR NATO/TOP-RANKING DOD OFFICIAL TO DEAL SOLEY W/ATLANTIC ALLIANCE. UNCLASSIFIED

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SAYS AFTER 10 YRS HE STILL SPEAKS BUOYANTLY ABOUT HIS OLD JOB.

KOMER SAYS "ISN'T FAIR TO ARGUE THAT PACIFICATION FAILED. WHAT FAILED WAS THE VIETNAM GOVERNMENT AND ITS ARMED FORCE. IT TURNED OUT THAT ALL THE INVESTMENT WE MADE IN THEM COULD NOT COMPENSATE FOR A SINGLE FACT...THEY SIMPLY LACKED EFFECTIVE LEADERSHIP FROM THE TOP TO THE BOTTOM." KOMER SAYS HE WAS ALWAYS IN FAVOR WINNING WAR IN SOUTH, COPING W/INSURGENCY--"THAT SOME PEOPLE SAY WE DID RATHER SUCCESSFULLY." CONTENTS NVIET INVASION MADE SUCCESS OF PACIFICATION IN LATE '60S/EARLY '70S "ABSOLUTELY IRRELEVANT."

11. NEW ZEALAND

CSM'S CARTHEW (WELLINGTON) PREDICTS RE-ELECTION NATIONAL PARTY, THO STILL 9 MONTHS BEFORE NEXT GEN ELECTION/ECON STILL SAGGING. SAYS PM MULDOON CAUGHT PUBLIC'S IMAGINATION W/HIS "TRAVELING ROAD SHOW" WHERE HE PINPOINTED ALP'S ECON MISTAKES W/LARGE CHARTS/GRAPHICS. SAYS HE MADE NO GRAND PROMISES/SET OUT DELIBERATELY TO LOWER LIVING

STANDARD. NOW, 2 YRS LATER, SAYS HE FACES GROWING
ELECTORATE DISQUIET BECAUSE OF INFLATION, BOP, UNEMPLOY-
MENT. CONCLUDES W/LABOR PARTY IN DISARRAY, THAT DESPITE
FALLING INCOMES, UNEMPLOYMENT, DRASTIC DROP IN BUSINESS/
FARMING CONFIDENCE, GENERAL WORRY ABOUT COUNTRY'S ECON
FUTURE, NP COMMANDS STRONG LEAD IN PUBLIC OPINION POLLS/
MULDOON'S PERSONAL POPULARITY REMAINS HIGH. VANCE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS SUMMARIES, POLITICAL SITUATION
Control Number: n/a
Copy: SINGLE
Draft Date: 14 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE064946
Document Source: CORE
Document Unique ID: 00
Drafter: STAFF:VDC
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780113-1218
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780370/aaaacgwv.tel
Line Count: 285
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 40146ec7-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3336648
Secure: OPEN
Status: NATIVE
Subject: MARCH 14 EA PRESS SUMMARY
TAGS: SOPN, XC, US
To: EA POSTS MOSCOW MULTIPLE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/40146ec7-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014